GOVERNMENT OF INDIA
STEEL
LOK SABHA

UNSTARRED QUESTION NO:1920
ANSWERED ON:28.11.2016
Captive Mines for VSP
Tanwar Shri Kanwar Singh

Will the Minister of STEEL be pleased to state:

(a) whether Visakhapatnam Steel Plant (VSP) has applied for "captive iron ore and coal mines" for its profitable operations;
(b) if so, the details and the status thereof;
(c) the reasons for not allotting captive iron ore mines to VSP;
(d) the details of the production by the VSP during the current year; and
(e) the steps taken by the Government to ensure optimum utilisation of the resources available with VSP?

Answer

THE MINISTER OF STATE FOR STEEL (SHRI VISHNU DEO SAI)

(a)to(c): Prior to amendment to the Mines and Minerals (Development and Regulation) Act, 1957 (MMDR Act), Visakhapatnam Steel Plant(VSP) had filed 29 applications for allotment of iron ore mines in various States out of which one Iron Ore Block in Banera Tehsil, Bhilwara District of Rajasthan has been allotted by the Government of Rajasthan and the rest became ineligible subsequent to the enactment of the Mines and Minerals (Development & Regulation) Amendment Act, 2015.

Applications made subsequent to the amendment Act of 2015, are regulated as per the Mines and Minerals (Development and Regulation) Act, 1957, as amended by the Mines and Minerals (Development and Regulation) Amendment Act, 2015, wherefrom the State Governments have been empowered to grant mining leases through the method of auction under section 10A or through the reservation route under section 17A (2A) of the Act. Therefore, allocations of new mining lease are to be regulated as per the provisions laid down in the amendment Act.

(d) Production of saleable steel in first half of 2016-17 (April, 2016- September, 2016) was 1.73 million tonnes.

(e) Steel is a deregulated sector and role of Government is that of a facilitator. Decisions regarding investment, utilization of resources, etc. are taken by the CPSEs based on various factors including commercial considerations and market dynamics, etc. Reviews are undertaken at appropriate levels and issues concerning the CPSEs under the Ministry of Steel including VSP, to be taken up with other Ministries/Departments and also with State Governments, are identified/flagged and pursued.

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